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EDIC/M-15
Control No. 2228
17 April 1956

ECONOMIC DEFENSE INTELLIGENCE COMMITTEE

Minutes of 15th Meeting

10:00 a.m., 5 April 1956

PRESENT

25X1A9a [REDACTED] CIA, Chairman
25X1A9a [REDACTED] CIA, Vice Chairman
25X1A9a [REDACTED] CIA
25X1A9a [REDACTED] CIA
Mr. Walsh, OSD
Mr. Hamilton, AFOIN
Miss Dimock, ONI
Mr. Shavell, Commerce
Mr. Clyde, Commerce
Miss Baldwin, ICA
Miss Worthing, State/OIR
Mrs. Young, State/EGD
Mr. Martin, State/MC
25X1A9a [REDACTED] CIA, Acting Executive Secretary

1. Minutes, 9 February 1956 (EDIC/M-14)

Action:

The minutes of the meeting held on 9 February were approved.

2. Sino-Soviet Bloc Imports and Attempted Procurement of Mercury in 1955 (EDIC/ID-21)

Discussion:

25X1A9a [REDACTED] pointed out that this paper is to be used as background by the State Department in considering a possible request for continuing the 1955 Italian mercury exception. He drew attention to the sizable shipments from Italy to the Soviet Bloc in 1955.

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The State/ECD member commented that an Italian request for an exception to ship the same amount in 1956 as in 1955 is expected.

Action:

The paper was noted by EDIC members.

3. Sino-Soviet Bloc Procurement of Nickel - 1955 (EDIC/ID-22)

Discussion:

25X1X5 25X1A9a [REDACTED] commented that it had been impossible to determine the source countries of clandestine nickel shipments because of the [REDACTED].
25X1X5

The State/OIR member reported that a [REDACTED] producer had requested information on European requirements as a guide to the distribution of nickel in the European area. It was suggested that discussions might be held with the [REDACTED] authorities with a view to effecting better control over the end-users of [REDACTED] nickel. 25X6A 25X6A 25X6A

Action:

The paper was noted by EDIC members.

4. Strategic Importance of Aluminum and its Source Materials (including Bauxite) to the Sino-Soviet Bloc (EDIC Case No. 18)

Action:

The Chairman stated that a CIA working paper on this subject would be considered at the next meeting.

5. Free World Deliveries of New and Used Ships to the Sino-Soviet Bloc in 1955 and Projected Deliveries for 1956, 1957 and 1958. (EDIC Case No. 19)

Discussion:

25X1A9a [REDACTED] reported that figures are now available for preparation of this report except for the 1958 projections. (The figures have been provided informally to ECD/ITR/State, pending completion of the EDIC report.)

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The State/OIR member requested that a survey be made of recent studies on Bloc merchant shipbuilding.

Action:

The Acting Executive Secretary was requested to prepare a bibliography of current papers on Bloc merchant shipbuilding as a basis for determining whether further study of this subject is needed.

6. Borax Discovery in Tibet (EDIC/IR-23)

Discussion:

25X1A9a [REDACTED] stated that a draft paper by the Battelle Memorial Institute estimates Sino-Soviet boron resources considerably higher than the CIA estimates used in EDIC/ID-15 (Second Revision, 9 December 1955). This paper is currently under review by CIA at the request of the Defense Department. Both the CIA and the Battelle Institute estimates take account of the Tibetan deposits.

In response to the interest expressed by the Commerce and ICA members, the Chairman suggested that an abstract of the Battelle report be prepared for further distribution.

Action:

It was agreed that CIA would investigate the possibility of making an abstract of the Battelle report and would assume responsibility for preparation of a response to EDIC/IR-23.

7. Priority Economic Defense Intelligence Objectives

Action:

The Chairman requested that each member agency review priority deficiencies in intelligence as a basis for discussion at the next EDIC meeting. The State/OIR and ECD members agreed to discuss this subject with the Chairman of the EDIC Research Panel to avoid a possible overlapping of interests between EDIC and the Panel.

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8. Availability of Diamonds in the USSR

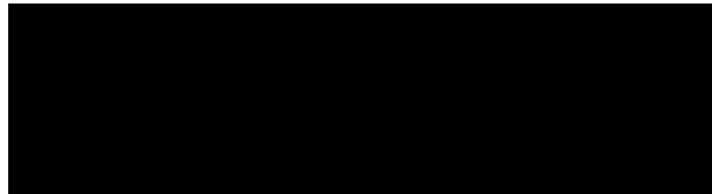
Discussion:

CIA suggested that an evaluation be made of the recently reported discovery of a large diamond deposit in the USSR.

Action:

It was agreed to prepare a coordinated paper on the availability of diamonds in the USSR. CIA was assigned responsibility for this project.

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